



# Activity Review

## North Carolina State Board of Certified Public Accountant Examiners

1101 Oberlin Road, Suite 104, Post Office Box 12827, Raleigh, NC 27605-2827 (919) 733-4222 No. 11 2001

### Barton W. Baldwin, CPA, Elected Chair of NASBA

On October 16, 2001, Barton W. Baldwin, CPA, was elected Chair of the National Association of State Boards of Accountancy (NASBA) for 2001-2002.

Baldwin has been a member of the North Carolina State Board of CPA Examiners since 1994.

In his inaugural address at NASBA's Annual Meeting, Baldwin remarked, "Our future colleagues will be able to efficiently assist their clients in ways we can only imagine today, but our job as regulators is to ensure those future CPAs will have the qualifications and continuing competence that the public expects."

"We will do this through maintaining a high quality entrance examination, meaningful entry and license renewal requirements, and effective means to discipline those who go astray," said Baldwin.

"You can expect tenacity on NASBA's part in negotiations with other organizations related to crucial issues such as the examination, independence, and maintaining the rights of state boards to regulate their licensees."

Baldwin, the managing partner of Baldwin & Hodge, LLP, with offices in Mount Olive, Clinton, and Raleigh, has served NASBA as Middle Atlantic Regional Director and Director-at-Large.

He formerly served as Chair of NASBA's Uniform Accountancy Act Committee, Administration and Finance Committee, and Relations with Member Boards Committee.

A member of the American Institute of Certified Public Accountants (AICPA), Baldwin has served on the AICPA Governing Council, the AICPA Quality Review Executive Committee, and the AICPA State Legislation Committee.

Baldwin is a current member and a past president of the North Carolina Association of Certified Public Accountants and is a member of the Georgia Society of Certified Public Accountants.

He is a former President of the Mount Olive Area Chamber of Commerce, the Mount Olive Jaycees, and the Mount Olive Rotary Club.

Baldwin is a member and past treasurer of the North Carolina Democratic Party and a member of the Mount Olive First United Methodist Church.

He was one of five individuals in the United States to be inducted into the United States Junior Chamber of Commerce Foundation Hall of Leadership in March of 1996. He was named Rotarian of the Year in 1984 for District 773.

Baldwin and his wife, Brenda, have two children--Nicole and Whit, and a son-in-law, James.

### NASBA Honors Nathan T. Garrett

Nathan T. Garrett, CPA, Esq., who served two terms as a member of the North Carolina State Board of CPA Examiners, was awarded the William H. Van Rensselaer Award by the National Association of State Boards of Accountancy (NASBA) on October 16, 2001, during NASBA's Annual Meeting.

The Van Rensselaer Award, which was established by NASBA in memory of its first full-time Executive Director, recognizes those individuals who have been dedicated to the improvement of the regulation of accountancy and who have demonstrated excellence in leadership.

Garrett  
continued on page 4

[www.state.nc.us/cpabd](http://www.state.nc.us/cpabd)

### Inside this issue...

Board Meetings .....	4
Certificates Issued .....	5
Corporate Reinstatements .....	6
CPE Compliance .....	4
FASB Issues Statement No. 144 .....	6
FASB Releases Video .....	7
Firm Renewal/SQR Compliance .....	7
Disciplinary Actions .....	2, 3
Notice of Address Change .....	8
Notice of Apparent Violation and Demand to Cease and Desist .....	3
Reclassifications .....	3, 7

## Disciplinary Actions

**Name Not Published 8/20/01**

*THIS CAUSE*, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to NCGS 150B-41 and 150B-22, the Board and Respondent stipulate the following Findings:

1. Respondent is the holder of a North Carolina certificate as a Certified Public Accountant.
2. Respondent has a history of substance abuse while operating a motor vehicle in North Carolina.
3. Respondent's license to operate a motor vehicle in North Carolina was revoked for Driving While Impaired (DWI) on August 8, 1996.
4. Respondent's application for reinstatement of his license to operate a motor vehicle was disapproved by the Medical Consultants of the North Carolina Division of Motor Vehicles on November 24, 1998.
5. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Order with the Board *ex parte*, whether or not the Board accepts this Order as written.

*BASED UPON THE FOREGOING*, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. Respondent's convictions of substance abuse-related offenses could constitute acts discreditable to the accounting profession in violation of NCGS 93-12(9)e and 21 NCAC 8N .0201 and .0203(b)(1).

*BASED ON THE FOREGOING* and in lieu of further proceedings under

21 NCAC Chapter 8C, the Board and Respondent agree to the following Order:

1. Respondent shall regularly attend Alcoholics Anonymous, another ongoing program, or seek professional counseling whose purpose is to prevent substance abuse.
2. Respondent shall submit, upon reasonable request, to any physical, blood, breath, or urinalysis for detection of alcohol or controlled substances for a period of three (3) years to start from the date this Order is approved by the Board.
3. Respondent shall immediately surrender his CPA certificate to the Board pursuant to 21 NCAC 8J .0106(a) for at least three (3) years upon detection of any alcohol or controlled substance or upon any conviction, plea of guilty or *nolo contendere*, or Prayer for Judgment Continued for any offense related to substance abuse.
4. Respondent shall file a written statement with the Board every six (6) months during the three (3) year monitoring period as to the status of his rehabilitation.
5. If Respondent fails to timely comply with any of the requirements as specified in Paragraphs 1-4, Respondent's certificate shall be automatically suspended until such time as said requirements have been satisfied.
6. Respondent agrees to cooperate at all times with the Board in the supervision and investigation of compliance with this settlement agreement and agrees to make all files, records, and other documents available immediately upon the demand of the Board.

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**Richard L. Rollins**  
**North Myrtle Beach, SC 08/20/01**

*THIS CAUSE* coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, at public hearing, with a quorum present, the Board finds, based on the evidence presented at the hearing on August 20, 2001, that:

### FINDINGS OF FACT

1. The hearing was properly noticed pursuant to NCGS 150B-38(b)(c) and 21 NCAC 8C .0103.
2. Respondent was not present at the hearing and was not represented by counsel.
3. Respondent was the holder of a certificate as a Certified Public Accountant in North Carolina and is therefore subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
4. Respondent failed to renew his individual CPA certificate as required by NCGS 93-12(8).
5. Respondent failed to return his forfeited CPA certificate within 15 days of notification of its forfeiture pursuant to 21 NCAC 8J .0101(d).
6. Respondent failed to respond to certified mail concerning the forfeiture of his CPA certificate and the demands for its return.

### CONCLUSIONS OF LAW

7. Respondent's failure to renew his certificate is a violation of NCGS 93-12(8) and (15) and 21 NCAC 8J .0101(a).
8. Respondent's failure to return his forfeited certificate within 15 days of notification of its forfeiture is a violation of NCGS 93-12(9)(e) and 21 NCAC 8J .0101(d).
9. Respondent's failure to respond to certified mail concerning the forfeiture of his CPA certificate and the demands for its return is a violation of NCGS 93-12(9)(e) and 21 NCAC 8N .0206.

*BASED ON THE FOREGOING*, the Board orders, in a vote of 6 - 0, that:

1. Respondent shall pay a one thousand dollar (\$1000.00) civil penalty for failure to return his forfeited CPA certificate.

## Notice of Apparent Violation and Demand to Cease and Desist

*THIS CAUSE*, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to NCGS 150B-41 and 150B-22, the Board and Respondent stipulate the following Findings:

1. Respondent is the holder of North Carolina certificate number 7116 as a Certified Public Accountant.
2. In April of 1995, Respondent signed a Consent Order with the Board agreeing to comply with the continuing professional education (CPE) as mandated by Yellow Book requirements for 1995 and 1996.
3. In response to a Board staff request, Respondent provided completion certificates for the CPE used to meet the 1997-98 and 1999-2000 Yellow Book requirements.
4. Regarding his 1997-98 Yellow Book CPE requirements, Respondent claimed credit for reading Part I of the AICPA Audit and Accounting Manual.
5. Regarding his 1999-2000 Yellow Book CPE requirements, Respondent mistakenly claimed eight (8) hours of Yellow Book CPE credit for a course that only offered four (4) hours of CPE credit that would qualify toward meeting the Yellow Book requirements, thus leaving Respondent short of the total hours necessary to complete his Yellow Book CPE requirements for this cycle.
6. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Order with the Board *ex parte*, whether or not the Board accepts this Order as written.

*BASED UPON THE FOREGOING*, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Caro-

Bob Zander  
Raleigh, NC 08/30/01

### To the Above Named Respondent:

**WHEREAS**, the North Carolina State Board of Certified Public Accountant Examiners is authorized by NCGS 93-12(16) to enforce the provisions of the North Carolina Certified Public Accountant Act (Act) through actions for injunctive relief regarding “a single violation” of this Chapter; and,

**WHEREAS**, pursuant to NCGS 93-13, the Board may institute proceedings in an appropriate court seeking civil penalties of \$1,000.00 for each violation of the Act.

**WHEREAS**, pursuant to NCGS 93-6 “It shall be unlawful for any person to engage in the public practice of accountancy in this State who is not a holder of a certificate as a certified public accountant issued by the Board, unless such person uses the term ‘accountant’ and only the term ‘accountant’ in connection with his name on all reports, letters of transmittal, or advice, and on all stationery and docu-

ments used in connection with his services as an accountant, and refrains from the use in any manner of any other title or designation in such practice.”

**WHEREAS**, Respondent Bob Zander (hereinafter “Respondent Zander”) is not currently licensed by the Board as a certified public accountant and,

**WHEREAS**, Respondent Zander has prepared financial statements which indicated that such statements were prepared by a North Carolina CPA firm thereby conveying the impression that he is authorized to engage in the public practice of accountancy, using a title other than “accountant” when, in fact, he is not lawfully authorized to perform any such service using a title other than “accountant” in this State. Such a representation is misleading and contrary to NCGS 93-6 and 93-13.

**THEREFORE**, Respondent Zander is hereby notified and the North Carolina State Board of Certified Public Accountant Examiners demands that he immediately cease and desist from use of the designation “CPA” and identify himself only as “accountant.”

### Reclassifications

#### Inactive

“Inactive,” when used to refer to the status of a person, describes one who has requested inactive status and been approved by the Board and who does not use the title “certified public accountant” nor does he or she allow anyone to refer to him or her as a “certified public accountant” and neither he or she nor anyone else refers to him or her in any representation as described in 21 NCAC 8A .0308(b) [21 NCAC 8A .0301(b)(23)].

10/01/01	Charles Frederick Mauney	Belmont, NC
10/02/01	Ethan Allen Brown, Jr.	Waxhaw, NC
10/12/01	Lloyd L. Miller	South Bend, IN
10/22/01	Lester Dupuy Sears	Tarboro, NC
10/24/01	Jeffrey Stuart Gilliam	Charlotte, NC

#### Retired

“Retired,” when used to refer to the status of a person, describes one possessing a North Carolina certificate of qualification who verifies to the Board that the applicant does not receive or intend to receive in the future any earned compensation for current personal services in any job whatsoever and will not return to active status [21 NCAC 8A .0301(b)(23)].

10/22/01	Carlyle Colbert Craven	Raleigh, NC
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Garrett continued from front

Garrett is a past NASBA President and a member of the Board of Directors and served as Chair or a member of numerous NASBA committees.

He is a member of the American Institute of Certified Public Accountants (AICPA), the North Carolina Association of CPAs (NCACPA), the North Carolina Association of Black Lawyers, the North Carolina Bar Association, and *Beta Alpha Psi*.

Garrett's continued involvement in the accounting profession was recently evidenced with his appointment to the NASBA/AICPA Computerization Implementation Committee (CIC).

He served as President of the National Association of Minority CPA Firms as well as the North Carolina Association of Minority Businesses and is Chairman of the North Carolina Mutual Life Insurance Company.

Garrett is a current trustee for Fayetteville State University, a former trustee of Duke University, and the Research Triangle Foundation, a former Chairman of United Way Southwide Division and was a Durham County Commissioner.

He received his bachelor's degree in Psychology from Yale University and his *juris doctor* from North Carolina Central Law School.

Garrett is a retired partner of Cherry Bekaert & Holland, LLP, and is a retired faculty member of North Carolina Central University's School of Business.

He and his wife, Wanda, have three children, seven grandchildren, and one great-grandchild.

## Board Meetings

Tuesday, December 18, 2001

Tuesday, January 22, 2002

Monday, February 18, 2002

Friday, March 22, 2002

## The Facts About CPE Compliance

CPAs are expected to maintain high standards of professional competence and to that end, participation in quality Continuing Professional Education (CPE) programs is required.

Every CPA licensed by the Board, except for those individuals approved for retired or inactive status, must complete a specific number of CPE hours, calculated in accordance with the Board's rule on the computation of CPE credits (21 NCAC 8G .0401), prior to December 31 of each year.

Although licensees are given wide latitude in selecting CPE programs which are appropriate to their professional activities, the underlying principle is that all programs should contribute to a licensee's professional competence.

To meet the stipulation that a course increases the professional competence of a CPA, the course must be taught at a level that challenges the CPA and the course must be in the area of accounting in which the CPA practices, or is planning to practice.

Qualifying courses should include information that states the course objectives, the material to be covered, and the level of knowledge that should be attained by the end of the course.

Pursuant to 21 NCAC 8G .0404(a), credit for a CPE course will not be allowed by the Board unless the course is in one of the six fields of study recognized by the Board (the same fields as set forth in the AICPA National CPE Curriculum); is actually developed by an individual who has education and work experience in the course subject matter; and uses instructional techniques and materials that are current and accurate.

Programs such as communications, ethics, qualitative methods, statistics, and management, which contribute to the development and maintenance of other professional skills, are also recognized as acceptable CPE programs.

CPE credit may also be granted for teaching a CPE course or authoring a publication as long as the preparation

to teach or write increases the CPA's professional competency and is in one of the six fields of study approved by the Board.

Investment advice, financial planning, asset management, business valuation, real estate, retirement plans, insurance, and information technology are areas that are included in the fields of study recognized by the Board.

For a CPA to receive CPE credit for a professional designation, license, or certificate preparation course (such as registered investment advisor, insurance agent, real estate broker), the course must meet the CPE requirements set forth in 21 NCAC 8G.

Although the Board does not approve specific CPE courses, it does register sponsors of CPE courses. Registered sponsors are those that have signed an agreement with the Board stipulating they will conduct programs in accordance with the Board's rules.

Sponsors of CPE programs that are listed in good standing on the National Registry of CPE Sponsors maintained by the National Association of State Boards of Accountancy (NASBA) are also considered approved sponsors although they are not required to sign an agreement with the Board.

In addition to courses provided by registered sponsors, courses taken at regionally accredited colleges and universities; formal correspondence courses; formal education programs conducted within an association of accounting firms; technical sessions at meetings of national and state accounting organizations; and professional development programs of national and state accounting organizations may qualify as acceptable continuing education.

Licensees bear the responsibility of maintaining records that substantiate the CPE credits claimed for the current year and for each of the four calendar years prior to the current year.

For audit purposes, the CPA must obtain a sponsor-issued certificate of

*continued on next page*

completion which includes the CPA's name, course name, course date (or date of completion for self-study courses), sponsor's name and address, and the CPE hours for attendance or amount of recommended credit for a self-study course.

In regard to professional designation, license, or certificate preparation courses, the receipt of the professional designation, license or certificate, does not qualify as a certificate of course completion.

To receive CPE credit for such a course, the CPA must obtain a certificate of completion from the course sponsor and the sponsor must recommend credit in accordance with 21 NCAC 8G .0409.

The examination provided by the sponsor of the course material, not the

license or certificate examination, must be completed by the CPA to qualify for CPE credit.

In regard to all courses, independently reading a book or other materials to study for an exam does not meet the requirements for a course for CPE credit. It is the Board's position that such an activity is not a structured learning activity.

If a course is presented in a group study format, the CPA may claim one hour credit for each 50 minutes in attendance for instruction and any examination.

Licensees taking self-study courses to meet the requirement should note that a self-study course is not deemed complete until the CPE sponsor issues a certificate of completion.

The Board accepts the date on the certificate of completion, not the date the licensee completed the course or the date the completed course was mailed to or received by the sponsor.

Computer-based interactive self-study courses that offer hour-for-hour credit will be accepted to fulfill the CPE requirements. However, all other self-study courses are counted as one hour of credit for every two hours of study.

In addition, licensees cannot claim CPE credit for reading accounting journals, periodicals, reference guides, or related materials and taking a test designed to assess reading comprehension.

For additional information regarding CPE, please contact Lynn Wyatt by phone at (919) 733-1423 or via e-mail ([lynnwyat@bellsouth.net](mailto:lynnwyat@bellsouth.net)).

## Certificates Issued

The following applications for certification were approved by the Board at its October 22, 2001, meeting:

William Ellerbe Ackerman, III  
Gillian Wendy Alexander  
Gerald Earl Bartram  
Amanda Janice Bates  
Malcom Bowyer  
John William Bradway, Jr.  
James Holcombe Browning  
Charles Henry Burnside, II  
William Taylor Caldwell  
Tamela Dane Cauble  
David Lee Dills  
Regan E. Dumas  
Tricia Rebecca Eitel  
Katie Anne Eure  
J. Michael Fair  
Paul Bradley Faulkner, Jr.  
Timothy Michael Fleischman  
Bernadette Marie Geis  
Mark Edward Hannay  
Roger Samuel Harding  
Lory Lee Hartmann  
Clayton Andrew Hemphill  
Michael Haze Hobbs

Michael Edward Hodge  
Teresa Pleasant Inman  
James Franklin Ipock, Jr.  
Melissa H. Israel  
Laura Ellen Johnson  
Todd Wilson Jones  
Samuel Karp  
Youssef Kubis  
Deborah Dixon Lambert  
Amber Colleen Lipson  
Christopher Brandon Long  
Steven Charles Mayne  
Mary Rochelle McGowan  
Nathaniel Lee Medlin  
Robin Shawn Mendina  
Jill G. Miles  
Michael Frank Moore  
Dorie Lynne Mothershed  
A. Charlene Murray  
Curtis Lynn Nichols, Jr.  
Richard Douglas Paden  
Lisa Stephenson Pendergrass

Allison Marie Riordan  
Wendy Vestal Rockett  
Timothy Ryan Rowland  
Megan E. Schaap  
Julie Carnes Seay  
Brandon Joseph Sink  
Alan Jonathan Stancill  
David Matthew Stone  
Patrick Joseph Styles  
Tracie Lynn Sullivan  
Katherine Anne Thivierge  
Sally Layne Thomas  
Charles Lewis Thurman  
Jonathan Roy Tomberlin  
Paul Vincent Urban  
Chantelle Walters  
Jia Wang  
Paul Matthew Wendler  
Andrea Ruth Whitfield  
Kelly Suzanne Wilson  
Susan Valerie Zaucha  
Kristin Kiessling Zettlemoyer

lina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

2. Respondent's actions as set out above constitute violations of NCGS 93-12(9)e, and 21 NCAC 8N .0202(b)(4), 8N .0203(b)(3), 8N .0204(a), and 8N .0405.

**BASED ON THE FOREGOING** and in lieu of further proceedings under 21 NCAC Chapter 8C, the Board and Respondent agree to the following Order:

1. Respondent is censured.
2. Respondent's license shall be suspended for one (1) year from the date this Order is approved by the Board; however, said suspension is stayed.
3. As a condition of the stay of his suspension, Respondent shall be on probation, shall comply with the terms of this Order, and shall violate no accountancy statutes or rules for one (1) year from the date this Order is approved by the Board. In the event that Respondent violates this condition, the active suspension may be imposed in addition to any discipline regarding the new violation.
4. All the continuing professional education (CPE) used by Respondent to meet the Yellow Book requirements for the next three cycles (2001-02, 2003-04, and 2005-06) shall be in governmental accounting.
5. Respondent shall provide the Board with copies of the certificates of completion for all CPE taken to meet Yellow Book requirements and the Board's annual forty (40) hour requirements in the next three (3) Yellow Book cycles (2001-02, 2003-04, and 2005-06).
6. Respondent shall pay a one thousand dollar (\$1,000.00) civil penalty to be remitted with this signed Order.
7. Respondent shall reimburse the Board five hundred dollars (\$500.00) in administrative costs incurred in the costs of this investigation. Said administrative costs shall be remitted with this signed Order.

## Cap Removed on Corporate Reinstatements

The North Carolina Department of the Secretary of State is easing restrictions on business entities seeking to reestablish their corporate status.

House Bill 1073, which went into effect on August 26, 2001, removes the five-year ceiling on the reinstatement of business entities that have been administratively dissolved by the Corporations Division of the Secretary of State.

Administratively dissolved business groups have previously had five years to apply for reinstatement. After that period, they were required to file new Articles of Incorporation or Articles of Organization to regain their corporate status.

The names of business entities that have been administratively dissolved for five years or longer still fall into the public domain and are available for another entity to use.

Any business seeking reinstatement after five years should visit the Secretary of State's Corporations web site ([www.secretary.state.nc.us/Corporations](http://www.secretary.state.nc.us/Corporations)) and perform a search by corporate name availability.

Any group applying for administrative reinstatement must complete an *Application for Administrative Reinstatement*, and fill out an Annual Report for each year that is delinquent.

All forms and filing fees should be submitted to:

NC Dept. of the Secretary of State  
Corporations Division  
PO Box 29525  
Raleigh, NC 27262-0525

Customers with questions regarding House Bill 1073 or the filing of annual reports should contact the Corporations Division by telephone at 919-807-2225 or 1-888-246-7636. Questions may also be submitted via e-mail to ([arinfo@secstate.state.nc.us](mailto:arinfo@secstate.state.nc.us)).

## FASB Issues Statement No. 144

The Financial Accounting Standards Board (FASB) has issued Statement No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*, that replaces FASB Statement No. 121, *Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of*.

The primary objectives of this project were to develop one accounting model, based on the framework established in Statement No. 121, for long-lived assets to be disposed of by sale and to address significant implementation issues.

The accounting model for long-lived assets to be disposed of by sale applies to all long-lived assets, including discontinued operations, and replaces the provisions of APB Opinion No. 30, *Reporting Results of Operations-Reporting the Effects of Disposal of a Segment of a Business*, for the disposal of segments of a business.

Statement No. 144 requires that those long-lived assets be measured at the lower of carrying amount or fair value less cost to sell, whether reported in continuing operations or in discontinued operations. Therefore, discontinued operations will no longer be measured at net realizable value or include amounts for operating losses that have not yet occurred.

Statement No. 144 also broadens the reporting of discontinued operations to include all components of an entity with operations that can be distinguished from the rest of the entity and that will be eliminated from the ongoing operations of the entity in a disposal transaction.

The provisions of Statement No. 144 are effective for financial statements issued for fiscal years beginning after December 15, 2001, and generally, are to be applied prospectively. Early application is encouraged.



## Reclassifications

### Reinstatements

Lauren Martin Brown, #21667  
Stephanie Ann Hawley, #17301  
Mark Robert Heissenbuttel, #13596  
Ray Allen Lyles, #10843

## Board Office Closed

The Board will be closed Thursday, November 22, 2001, and Friday, November 23, 2001, in observance of Thanksgiving.

In observance of Christmas, the Board will be closed Monday, December 24, 2001; Tuesday, December 25, 2001; and Wednesday, December 26, 2001.

In addition, the Board will be closed Tuesday, January 1, 2002, in observance of New Year's Day.

## Address Changed?

Pursuant to 21 NCAC 8J .0107, all North Carolina CPAs and CPA firms must notify the Board, in writing, within 30 days of any change of address or business location.

For your convenience, a "Notice of Address Change" form is printed on the back cover of each issue of the *Activity Review*.

Licensees should mail or fax the change(s) to Alice Steckenrider. Changes may also be e-mailed to ([alicegst@bellsouth.net](mailto:alicegst@bellsouth.net)).

CPA firms should mail or fax or the change(s) to Lynn Wyatt. Changes may also be e-mailed to ([lynnwyat@bellsouth.net](mailto:lynnwyat@bellsouth.net)).

Exam candidates should mail or fax the change(s) to the Examinations staff. Changes may also be e-mailed to ([pwelliott@bellsouth.net](mailto:pwelliott@bellsouth.net)) or ([jmacombe@bellsouth.net](mailto:jmacombe@bellsouth.net)).

[www.state.nc.us/cpabd](http://www.state.nc.us/cpabd)

## CPA Firm Renewal/SQR Compliance

In November, CPA firm renewal/State Quality Review (SQR) compliance forms were mailed to all registered CPA firms, individual practitioners, partnerships, professional corporations, professional limited liability companies, and registered limited liability partnerships.

By reading the instructions included with the form; reviewing 21 NCAC 8J, *Renewals and Registration*, and 21 NCAC 8M, *State Quality Review Program*; and following the checklist below, you can ensure that your CPA firm's renewal is received by the Board prior to the December 31, 2001, deadline.

### CHECKLIST

- If the information on the form is incorrect or incomplete, make the necessary corrections or additions.
- The form must be signed to be complete. **Do not** detach and return only the signature portion of the form—return the entire form, even if no changes were made.
- If the CPA firm is no longer in operation, check the appropriate box, sign the form, and return it and if appropriate, filed articles of dissolution or withdrawal, to the Board. Choosing not to return the form does not constitute notifying the Board that the CPA firm is no longer in operation.
- If fees are due, the check must be made payable to the NC State Board of CPA Examiners. Checks or money orders payable to other organizations will not be accepted.

- If there have been any changes in employees, partners, shareholders, members, etc., make the necessary corrections to the supplemental form. If there have not been any changes, initial the supplemental form and attach it to the main page of the renewal form.

- If the CPA firm's peer review has been completed but is not indicated on the form, write in the date of completion and provide the appropriate documentation. If the peer review has been completed and the deadline is during 2001, the completion must be reported no later than December 31, 2001.

- If the CPA firm is not a member of the North Carolina Association of CPAs (NCACPA) or the American Institute of CPAs (AICPA); is not exempt from quality review; and the review is due in 2002, an additional \$75.00 must be submitted with the form. The Board will then provide the CPA firm with a list of reviewers.

If a CPA firm fails to comply with any part of 21 NCAC 8J .0108, 8J .0110, or 8M .0102, the Board may take disciplinary action against the CPA firm's members. Such action may include a conditional license, civil penalties, and suspension of each CPA firm member's CPA certificate.

If you have questions about CPA firm renewal or SQR compliance, please contact Lynn Wyatt by telephone at (919) 733-1423 or via e-mail at ([lynnwyat@bellsouth.net](mailto:lynnwyat@bellsouth.net)).

## FASB Releases Video

The Financial Accounting Standards Board (FASB) has released "Financially Correct," a video program designed to help educate the public about why high-quality financial reporting is so important to investors and the efficiency of the financial markets.

The video, which is hosted by author and entertainer, Ben Stein, includes interviews with several leaders in the

financial reporting and investment worlds, including Warren E. Buffett, Chairman and Chief Executive Officer, Berkshire Hathaway Inc.; and Abby Joseph Cohen, Chair, Investment Policy Committee, Goldman, Sachs & Co.

A copy of "Financially Correct," along with an accompanying instructor's guide, may be purchased for \$15.00 by contacting FASB's Order Department at 800-748-0659.

# State Board of CPA Examiners

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## Address Change? Let Us Know!

Certificate Holder \_\_\_\_\_  
Last name Jr./III First Middle  
Certificate No. \_\_\_\_\_ Send Mail to \_\_\_\_ Home \_\_\_\_ Business  
New Home Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
CPA Firm/Business Name \_\_\_\_\_  
New Bus. Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Telephone: Bus. ( ) \_\_\_\_\_ Home ( ) \_\_\_\_\_  
Bus. fax ( ) \_\_\_\_\_ E-mail Address \_\_\_\_\_  
Signature \_\_\_\_\_ Date \_\_\_\_\_

**Mail to: NC State Board of  
CPA Examiners  
PO Box 12827  
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**Fax to: (919) 733-4209**

Certificate holders not notifying the Board in writing within 30 days of any change in address or business location may be subject to disciplinary action under 21 NCAC 8J .0107.